

ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)

Amendment of Part 36 and Part 69)
of the Commission's Rules to Effect)
Comprehensive Reform of the Access)
Charge System)

RM-8480

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

REPLY COMMENTS
OF THE
AD HOC TELECOMMUNICATIONS USER'S COMMITTEE

The Ad Hoc Telecommunications Users Committee ("Ad Hoc Committee" or "Committee"), pursuant to Section 1.405(b) of the Commission's Rules, 47 C.F.R. § 1.405(b), hereby submits its reply to the comments which were filed on the Committee's Petition for Rulemaking ("Petition") seeking amendment of Part 36 (Jurisdictional Separations Procedures) and Part 69 (Access Charges) of the Commission's Rules, to implement comprehensive reform of the Access Charge System.

I. INTRODUCTION

In its Petition, the Ad Hoc Committee urges the Commission to undertake a broad reform of the Commission's Access Charge System to encourage competition in the access service market and to facilitate the development of new services as part of the National Information Infrastructure. To ensure a smooth and orderly transition from the Commission's existing access charge rules, the Committee also proposed a

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series of interim rule revisions and longer-term transitions.^{1/} Fundamental reform of the Commission's access system rules is in order. To that end, the Committee's Petition proposes parallel reform of the Commission's Part 69 access charge rules, universal service funding mechanism and Part 36 jurisdictional separations procedure.^{2/} The Committee's proposal would minimize disruption, strike important balances between disparate interests, and encourage vital competition in the access service and local exchange markets.

II. The Comments Submitted in Response to the Committee's Petition Confirm the Need For Review of the Current Access Charge System.

The Committee's Petition for Rulemaking is one of numerous petitions and requests for waiver, now pending before the Commission, seeking changes in the Commission's access charge rules.^{3/} Although the other requests currently pending before the Commission vary in proposed approach and proposed degree of reform, there now is general agreement that access charge system reform is necessary. Not

^{1/} The Committee's full proposed program for overall reform of the Commission's Access Charge System is detailed in Access and Competition: The Vital Link, March 1994, attached as Exhibit A to the Committee's Petition, prepared for the Committee by Economics and Technology, Inc.

^{2/} Ad Hoc Petition, at 3.

^{3/} See, In the Matter of Petition for Declaratory Ruling and Related Waivers to Establish a New Regulatory Model for the Ameritech Region, DA 93-481, released April 27, 1993; In the Matter of NARUC Petition for Notice of Inquiry Addressing Access Issues, DA 93-847, released August 3, 1993; Federal Perspectives on Access Charge Reform, A Staff Working Analysis, April 30, 1993; In the Matter of Amendments of the Rules to Reform Interstate Access Charges; USTA Petition for Rulemaking, Public Notice (Report No. 1975), released October 1, 1993.

one party commenting on the Ad Hoc's Petition disputes the need for such reform. Even parties from opposing segments of the industry agree that the current rules are insufficient for the future environment.

Although the general consensus supports reform of the Commission's access charge system, opinions on the specifics of such reform vary widely. Because of the divergent and contentious range of viewpoints and interests represented, comments on the Ad Hoc Committee's Petition, if nothing else, confirm the need for a full and searching rulemaking.

III. CONCLUSION

The Committee's Petition for Rulemaking, seeking comprehensive review and reform of the Commission's Access Charge System, is both timely and necessary. With changes in technology, the marketplace, and perhaps legislative controls, the need for regulatory reform in this area is critical. Even among the disparate views expressed in response to Ad Hoc's Petition, the common message among all those filing comments in this proceeding is that the Commission should undertake a rulemaking to fully examine and ultimately reform the present access charge system. The Ad Hoc Committee's proposal is the most balanced and rigorous of those pending before the Commission.

ACCORDINGLY, the Ad Hoc Committee urges the Commission to initiate a rulemaking which reflects the proposals made in the Committee's Petition for Rulemaking to Effect Comprehensive Reform of the Access Charge system.

Respectfully Submitted,

AD HOC TELECOMMUNICATIONS
USERS COMMITTEE

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CERTIFICATE OF SERVICE

I, Jo Ann Stephens, a secretary in the law firm of Gardner, Carton & Douglas, certify that I have this 25th day of July, 1994, caused to be sent by first-class U.S. mail, postage-prepaid, a copy of the foregoing REPLY COMMENTS OF THE AD HOC TELECOMMUNICATIONS USERS COMMITTEE to the following:

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